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DISINTEGRATION OF BULGARIAN AGRICULTURAL ECONOMY

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On 18 August 1952 the Council of Ministers and the Tek na BKP (Central Committee of the Bulgarian Communist Party) adopted a measure calling for cooperative holdings to observe "strict financial discipline with the purpose of strengthening cooperative ownership."

To achieve this aim, a committee of 70 members, composed of the ministers and of members of TRKS (farm workers' cooperative), was created within the Council of Ministers to supervise strict application of the directives contained in the above decree.

The decree suggests that many TKZS have ignored official statutes. Violations of official restrictions include: wasting TKZS funds, use of capital for reconstruction, inclusion in the personal accounts of TKZS members either of workdays volunteered to the state or of fictitious non-workdays, additions to the balance sheet at the end of the year to increase the total workdays toward state credits granted, fixing at too high a level the income to be returned to landholders who have turned in their quotas, and decisions by the TKZS administrations under irregular circumstances without convening TKZS general assemblies.

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The decree states that "the financial state of a number of TKZS is far from being enviable." This situation is especially serious because rayon cooperative stores and state enterprises are not fulfilling their commitments in regard to purchasing of agricultural products. The Minister of Agriculture, the okoliya and rayon committees of the BKP, and the heads of farms do not pay enough attention to statutes.

To remedy the situation the decree provides for:

1. Making okoliya and rayon committees of the BKP executive councils of people's soviets, and the Administrative Councils of TKZS responsible for observing this statute.
2. Convening without delay the general assembly of all TKZS to examine the financial situation of each one, to bring up all violations of the statute, to indicate those responsible regardless of position or rank, and to bring them to justice.
3. Submitting by Administrative Councils of TKZS, by 15 September, of an inventory of real and personal property held by the TKZS and indicating all misuse of funds.
4. Revision by the Minister of Agriculture and Rayon People's Soviets of TKZS bookkeeping and balance sheets (restoration of slaughtered livestock taken over by peasants for their personal use, use of social funds, calculation of the number of workdays, and personal loans given by the TKZS to certain members)
5. Convening by cooperative [union] administrative councils of general assemblies every 3 months to supervise the activity of enterprises and to denounce malpractices.
6. Putting into operation by the Central Cooperative Union and various interested ministries all useful measures to insure that contracts made with TKZS are respected.
7. Examination by people's courts, within a week, of all cases referred to them.
8. Making rayon and okoliya committees of the BKP responsible for the restitution before 15 September 1952 of all slaughtered or live cattle which have been taken illegally by their former owners.
9. Making the Minister of Finance, the Minister of Agriculture, and the chairmen of rayon and okoliya people's soviets responsible for establishing within one month the assets of TKZS treasuries and drawing up a report on the state of their financial transactions.

The investment bank will in some cases grant long-term loans to replace capital employed for other means.

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The decree of 18 August 1952 confirms officially the state of political, economic, and financial disintegration in Bulgaria today. The TKZS are becoming more and more like autonomous capitalist enterprises, but dependant on the state, thanks to the ingenuity of the TKZS and the negligence of the state

This situation is not a new one, but the unusually abundant harvest of last year camouflaged this theft of state goods. The less than average harvest of this year has brought this fact to light.

According to reliable information collected in different parts of Bulgaria, almost all TKZS turnover capital has disappeared and an honest capitalist type of accounting would show that almost all the TKZS are bankrupt.

To maintain the TKZS, the government is obliged to replenish their capital by long-term loans which can only be covered by inflation. This is not all. We learn that the former proprietors, principally kulaks, have actually become TKZS masters, ruling in their own interest free from party control.

Before the occurrence of a catastrophe of such magnitude for which the government would have to give an accounting, some moderate Communists will be inclined to recall to power some members of the old Agrarian Party.

The publication of the decree of 18 August 1952 gives new impetus to the idea that Chervenkov is thinking of appealing to the Council of Ministers of the former Agrarians (today imprisoned in Belene) and of liberating many of their associates.

This information must be accepted with great reservations. At any rate, it gives an idea of the anarchy in Bulgaria today and explains to some extent the desire of the Bulgarian government not to break off its ties with its neighbors, even when they furnish it with a pretext for doing so.

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